

Compaq No. 2 in Europe's PC market

Compaq revenue share of the European market continued to grow in the first quarter, reaching 10.2% — making the company the No. 2 supplier of PCs to the continent's business market.

According to figures recently released by Paris-based market researchers Dataquest/Intelligent Electronics, Compaq gained over 3% from 1988 and went from fourth to No. 2 in the European business PC market. Compaq overtook both Ing. C. Olivetti & C. SPA and Apple Computer Corp. and gained the second position behind IBM, which lost almost 2% of its European market share.

European sales were particularly strong during the first quarter. Sales outside North America contributed 46% of worldwide first quarter revenue — their highest

contribution ever — with Europe accounting for nearly 90% of these revenues.

Eckhard Pfeiffer, President, Europe and International Division, says the Dataquest/IEE figures demonstrate that the dramatic momentum build-up in the company's European shipments during 1988 is continuing.

"Our fourth quarter 1988 shipments showed the highest ramp-up of any PC manufacturer in Europe," Pfeiffer says. "First quarter 1989 demand for our desktop, portable and laptop products has continued that trend."

Pfeiffer describes 1988 as a breakthrough year for Compaq across all international markets. Sales surged ahead by almost 150%, approximately three times the market growth rate.

See related graph, page 2.

SAVING LIVES



Cal Monteith of Compaq holds a Kenyan child who is near death with malaria. In 1985, Monteith began using his vacations to join medical missionary trips to Latin America and Africa. His story is on page 4.

Company continues to build for present and future



Construction of the new administration buildings in Compaq Center North in Houston is on schedule and CCA7 will be occupied in August. CCA8 will be fully occupied in October, and CCA9 and 10 are scheduled for occupancy beginning in March, 1990.

Compaq Center construction is progressing, and the first building of Compaq Center North to be occupied, CCA7, will open in August. CCA8 will be fully occupied by late October.

Two other administration buildings on the north campus, CCA9 and 10, are scheduled for occupancy beginning in March, 1990.

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Scotland manufacturing facility will double in size

Because the European market continues to grow, Compaq will expand its manufacturing and office facility in Erskine, Scotland.

The expansion, valued at more than \$37.5 million, is the second for the facility since its opening in 1987. It will add 230,000 square feet. The plant was expanded by an additional 130,000 square feet in 1988.

The expanded facility will allow increased production of desktop and portable computers and over the next three years could double the workforce to over 1,000. The additional office and manufacturing space will be operational by the second half of 1990 and will bring the plant to 490,000 square feet.

According to Eckhard Pfeiffer, President, European and Interna-

tional Division, the expansion is the result of the steadily increasing demand for COMPAQ personal computers in the international marketplace. IEE recently announced that Compaq is the second largest supplier of business personal computers in Europe.

"Had we not had the Erskine plant in place, we could not have met this massive increase in demand," Pfeiffer said. "This additional investment in Scotland signals clearly both the success being achieved by Compaq internationally and the positive nature of our experience in Erskine to date. Scotland has been, and will continue to be, an important part of our success."

Plans for expansion of the company's European headquarters in Munich, West Germany, also are under way.

Compaq study shows encouraging results Injuries down 49%

The various Compaq manufacturing sites are becoming safer, and fewer people are getting hurt on the job.

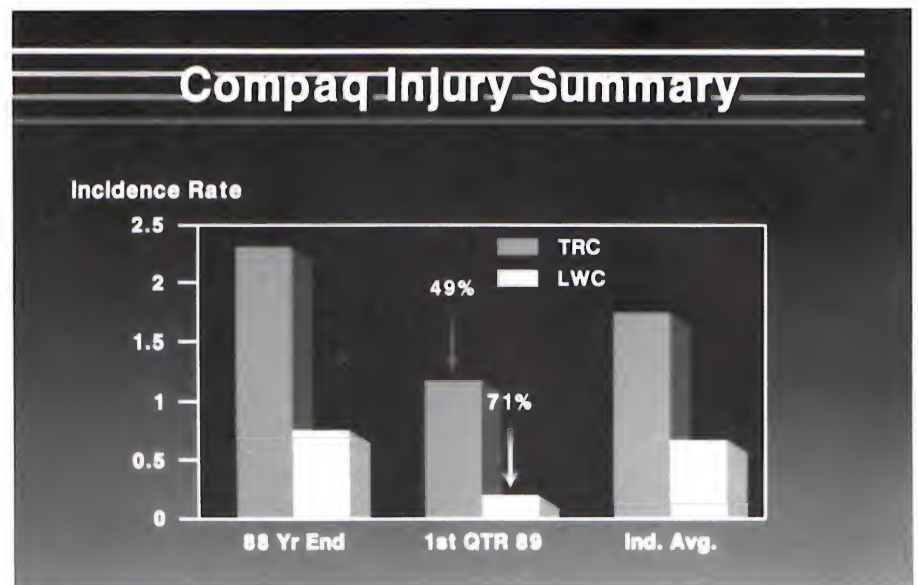
Each quarter, Compaq officials study the incidence rate of employees injured while working. In past quarters, such as the fourth quarter of 1988, the incidence rate at Compaq was higher than the industry average.

That is rapidly changing for the better. As shown in the chart, Compaq incidence rates for the

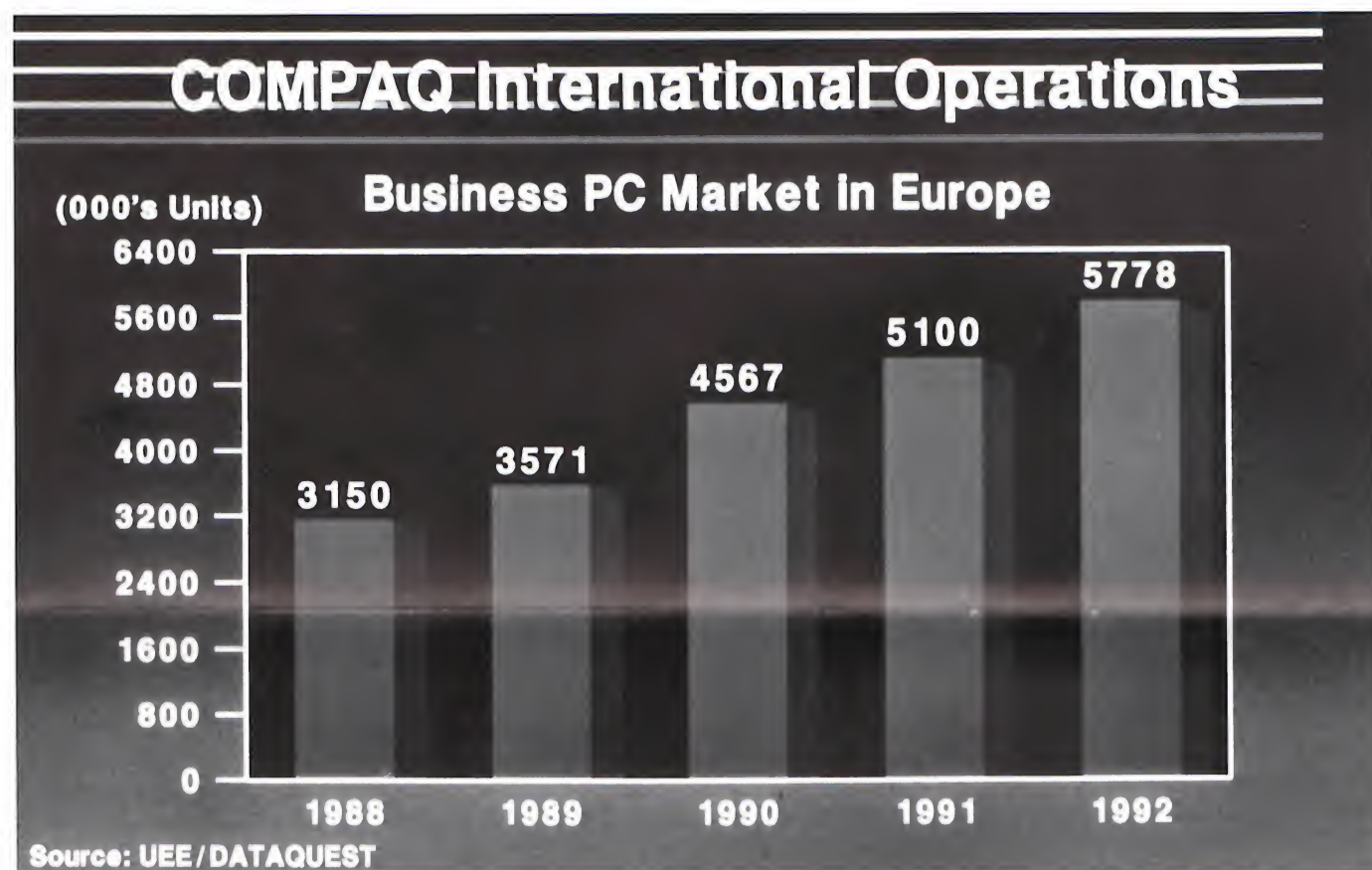
first quarter are significantly below those of the previous quarter and the industry average.

"TRC" on the chart stands for "Total Recorded Cases," injuries which required treatment by a doctor. In that category, Compaq reduced its incidence rate by 49% from last year.

"LWC" on the chart means "Lost Workday Cases," injuries serious enough to require time away from work. Those cases were reduced 71%.



Compaq injury incidence rates for the first quarter are significantly below those of the previous quarter and the industry average.



Based on the company's past performance in the European PC market, Compaq market share is predicted to continue to grow.

Company building for present and future

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Also under construction at the Houston facility are the Central Plant North, to open in August, and a distribution center, set to open in early 1990.

Programming for multi-purpose buildings across Park River Drive from Compaq Center East is in progress and will be followed by a schematic design.

Master planning is under way for the new property across S.H. 249 from Compaq Center. Wildlife and flora and fauna studies are being conducted. The Facilities department expects 12,000 em-

ployees to be housed on the 750 acres as compared to a final 9,000 at the present Compaq Center.

Options being studied include a "high-speed people mover" for transporting personnel between campuses, a dining facility, indoor/outdoor recreational facilities and lake use for employee fishing and canoeing.

Also on the Houston construction agenda, work is scheduled to start soon on a one-mile, west-campus jogging trail. It will connect with the existing trail in Compaq Center East.

Stop lights and turn lanes will be installed on Louetta at Park

River Drive, and Park River Drive will be widened from S.H. 249 past the bridge to Compaq Center West.

Other Construction

The new manufacturing plant in Singapore is under way. Phase I will be complete in February, 1990. Phase II is tentatively planned for occupancy in 1992.

Negotiations are under way in Germany for the purchase of land to build a new international headquarters office complex in Munich.

Construction of Phase III of the Scotland facility is to begin soon and will be ready for occupancy in late 1990.

Compaq announces Danish opening

Compaq continues to expand operations in Europe with the opening of its newest subsidiary, Compaq Computer A/S in Copenhagen, Denmark.

The Danish market had previously been supported by Compaq Computer GmbH, the company's European headquarters in Munich, West Germany.

"Compaq business in Denmark has grown to the point that opening a local subsidiary operation will ensure our ability to meet the growing requirements of both our installed user-base and our high-quality dealer network," said Eckhard Pfeiffer, President, Europe and International Division. "Compaq Computer A/S will market the entire COMPAQ product line and will provide full-service and technical support to the growing number of Authorized COMPAQ Computer Dealers in Denmark."

John Marlet has been named General Manager of the new subsidiary. A Danish national, he has 13 years experience in sales and marketing management with IBM Denmark.

Network strives to keep up with growth

Keeping up with the phenomenal growth of Compaq is not easy.

Employees in the Communications Systems department are discovering that firsthand as they continue to expand the company-wide electronic information and communications system to keep pace.

The system, "PAQNET," is a long-term effort to link the entire company in an integrated communications network. PAQNET began with fewer than 500 computers on-line and has grown to more than 6,000 connections around the world.

The strategy is to provide a dependable electronic information network within Compaq that provides the capability to enhance employee productivity and gives the company a competitive edge, says Ray Webb, Manager, Communications Support Services.

According to Webb, except for a few scattered pockets, the implementation of the network is complete on the Houston main campus. Approximately 1,600 new users will be added to the system when CCA7 and 8, currently under construction in Houston, are occupied.

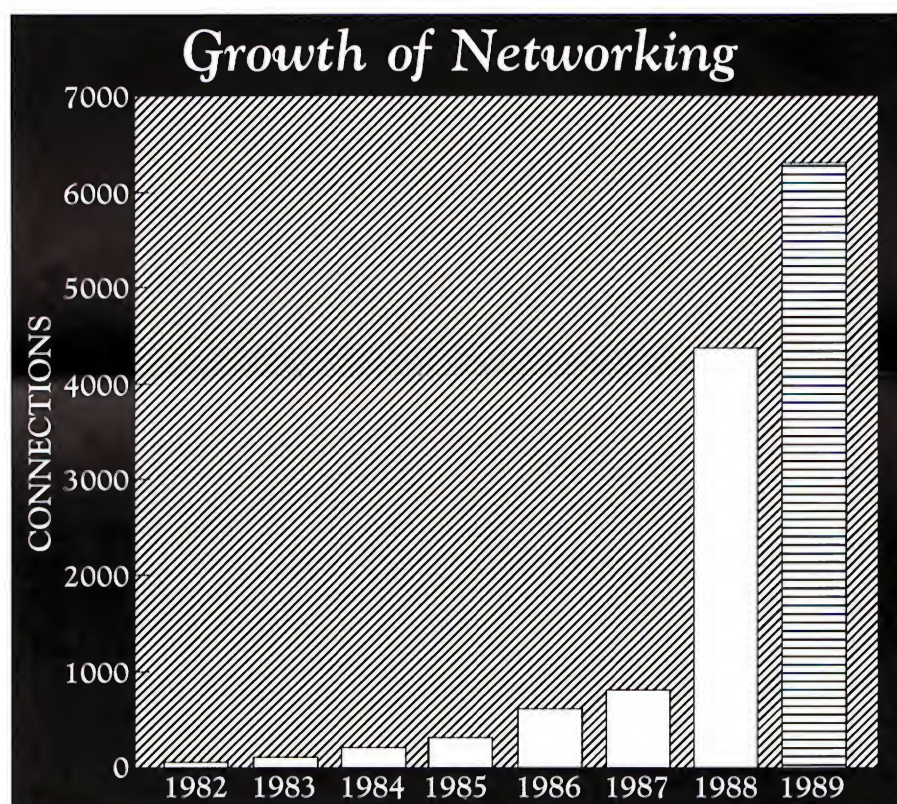
Plans to connect the North American regional and area offices are under way, with Pleasanton, Chicago and McLean connections targeted to be complete by the end of the summer.

Ten international sites are on line, and connectivity moves ahead as international subsidiaries are added. Scotland is completely networked and Singapore is 25% complete with plans to finish soon, Webb says.

"As this capability has become available to the various organiza-



User Support personnel Deb Sands, left, and Kelly Rosenfield keep busy answering calls from Compaq employees inquiring about the company's communications system. The department answered 20,000 calls during the last six months.



tions around the company, more of our important business functions are being handled on the network. We have reached a point where the network has changed the way many people do their jobs," Webb says. "Electronic mail provided to all those connected to this network is proving to be an extremely valuable tool."

Electronic mail is the most widely used application of the PAQNET system, although Webb says other specialized applications are becoming popular.

"Many departmental applications are up and running. Sharing of devices such as printers, plotters and disk drives has become popular with the user groups," he says.

Although a system which has grown so fast can not be without faults, Webb says his department is striving to correct any problems before they become serious.

The Network Control Center, established in late 1988, monitors all aspects of the system. Its purpose is to spot a problem before the user does, Webb explains.

The User Support department has answered 20,000 calls from Compaq employees in the last six months, many of them concerning the network.

"We've put more emphasis on User Support to help us better listen to users," Webb says. "This emphasis has opened better communication channels between users and Communications Systems. The Network Control Center, which monitors the health of the network, allows for network service providers to be proactive rather than reactive."

"The key issue we face is learning to support and manage a multi-vendor, multi-technology, rapidly installed, world-wide network," Webb says.

"Problems have been caused by growing so large so fast without having the time to properly tune the components," he adds. "In some cases, we have pushed the technologies beyond normal limits, which requires design and layout changes."

Another issue is how to build network applications allowing cooperative processing among PCs, minicomputers and network servers.

"Everything doesn't work exactly the way we want it to yet, but the network has stabilized considerably over the last few months," Webb says. "A better understanding of the technologies involved on the part of the Communications Systems department and the user community have contributed to the improved performance."



The Compaq Network Control Center allows personnel to monitor all aspects of the international system. The center's purpose is to spot a problem before the user does.

Compaq worker invests spare time in humanity

As he slowly pans an El Salvador mountain, preserving its beauty on tape for folks back home, the cameraman flinches. He thinks he spots movement in his viewfinder and squints for a better look.

Now he sees them. Armed men — guerrillas — leaving a cave and re-assembling atop the mountain. They begin marching down to a village, where the cameraman is part of a medical

the guerrillas might have been coming for our medical supplies. If they had been, the villagers we were helping might have fought them. We felt the best thing to do was leave the village."

All in a day's work for Monteith. Better stated, all in a day's vacation. Each year at vacation time, most Compaq personnel think about swimming, skiing, fishing, playing the tourist or anything else that might refresh them. Monteith devotes his vacation time to medical/dental missions directed by Feed The Children, an Oklahoma-based Christian ministry.

Since signing up in March of 1985, Monteith has made three trips to El Salvador, one to Kenya and one to Honduras. He left June 30 on his third mission trip to Guatemala. This time, his wife and three small children are traveling with him. It will be something of a homecoming for his wife, Siana, a physician and Guatemala native. Although she does not practice medicine in the U.S., she will serve as one of the doctors on this trip. He will operate an eye machine, which, Monteith says, identifies vision problems "with 99% accuracy."

Glasses of many varieties as well as extensive medical supplies and nutritional items have been donated. Doctors and nurses donate their time to the ventures. So do Monteith and other volunteers, who take on jobs that require no medical credentials.



Monteith, right, and another American sort medical supplies and prepare to dispense them.

missionary team from the U.S. The team includes Cal Monteith, an Inventory Control Manager with Compaq.

"We left the village when they started down the mountain," Monteith says. "I don't know if we were in danger, but we thought



Without power equipment, a dental team sets up and goes to work in the field.

"No one does anything they're not fully qualified to do," he says. "I've never been assigned a job I wasn't trained to do."

"My work has been mostly in the pharmacy until this trip. We've learned to work with the situations we face. Dispensing medicine is a problem in many places we go because most of the people can't read. We work out codes using the person's name on the medicine bottle. Even people who don't read can recognize their names in print. If a pill is to be taken morning and night, we'll put the person's name, a sunrise and a sunset on the bottle."

Feed The Children operations in 22 countries around the world monitor feeding programs and lay groundwork for these medical missionary trips. Preparations include evaluating types and severity of disease. This information goes into trip planning. Focus is on rural areas. Treatment is always free.

"Rural people have little access to doctors and dentists," Monteith says. "If any of these families were to find a doctor, they probably couldn't afford to buy medicine."

When a team arrives from the U.S., enthusiasm peaks among residents. Feed The Children workers already have spread the news about the coming of medical and dental staff. As a team reaches a village early in the morning, prospective patients already have assembled. As many as 1,000 will be treated during the day.

"We have about 30 people in each of our teams," Monteith explains. "When we begin the day, we'll have one doctor, one nurse and one interpreter in each area. One family will be treated at a time. Examinations are first. Then each family member is given up to two medications."

The teams never are short on challenge. Monteith says it's not unusual to treat a family that has a 24-year-old mother, four or five children under age 5 and no notion about good health habits or care.

Frustration chews at most team members, Monteith says. The 30-member team might be in a village only one day, hardly enough time to treat everyone. But the medical people must move on to the needy in other villages.

Everyone felt frustration when advance publicity drew many more people than expected to one Honduran village. Monteith estimates nearly 1,000 people awaited the medical team's arrival. The team worked all day. At sunset — without electricity — team members packed and left. Monteith recalls, "It was painful to drive away and see 700 people that we didn't get around to treating. As I remember, so much help was needed in that village we sent a small group back for a second day."

Monteith and other team members usually stay at hotels in larger towns, then return to a different rural area each morning. Each team member pays all personal expenses — air fare, lodging, meals and incidentals. The current 12-day Guatemala trip will cost Monteith about \$1,000 for each of his five family members.

He finds the expense no reason to complain: "It's only about \$1,000 because we get an excellent group rate on the plane tickets."

Why does Monteith answer this ambitious calling? He goes to the book of Joshua for his answer.

"The Lord says in Joshua that He will give you all the ground you can set your foot on," explains

Continued on page 8



A Kenyan family arrives for treatment. One doctor, one nurse and one interpreter normally examine and treat each family.

Compaq, Texas—a new ‘community’ in U.S.A.

The print ads make their points crisply. One reads, “At a place called Compaq, Texas, our drive for innovation in advanced personal computer technology is never-ending. But the drive from here to communities of spacious and affordable homes takes only about five minutes.” Or this ad: “At a place called Compaq, Texas, they sell 2,300 square-foot homes for about \$97,000. Of course, the challenging careers at the forefront of personal computer technology sell themselves.”

Before the company’s Human Resources department brings what it calls a “Compaq, Texas” recruiting event to an area of the U.S., goals are always high. Preparation is always thorough. Print ads blanket local newspapers as well as national trade and financial publications. Radio stations also are used, based on their ability to deliver qualified prospective employees. A direct-mail campaign also focuses on workers who might be valuable to Compaq. Rapid growth makes it harder to find specialists in certain fields.

Before the recent Compaq, Texas event in Santa Clara, Cal. — south of San Francisco in the heart of Silicon Valley—six area radio stations delivered messages to the right ears: “There’s one place where you can find careers at the forefront of personal computer technology . . . a place with one of the lowest costs of living in the U.S . . . this same place offers a lifestyle that includes a beautiful wooded environment, pro sports and a world-class arts community . . . Compaq, Texas, home of Compaq, one of the world’s leaders in PC design innovation.”

With media announcements paving the way, 65 Compaq people arrived at Santa Clara for the June 8-10 event. Recruiters, coordinators, representatives of the company’s in-house relocation group and directors and managers who came to interview prospects were among the 65.

“In our second year of staging Compaq, Texas, we’ve found there’s no substitute for going out and meeting people,” says Rick McKenzie, Corporate Employment Manager. “It gives us an opportunity to talk to many good candidates in a short amount of time. As long as we’re hiring at a high rate, it makes sense.

“When someone comes to an event like the one we just had, he or she can find out what makes our company work so well, and what the people in our company are like.” McKenzie emphasizes that when someone is flown to Houston for an interview after a Compaq, Texas event, “You know you’re flying in a true candidate, not just an applicant who has had a good telephone conversation.”

McKenzie says these events offer the company more than excellent new hires. “The public exposure leading up to a Compaq, Texas and the event itself help position Compaq as a preferred employer in our industry,” he says. “Even a year from now, someone who didn’t show up at the event will remember the Compaq name and the positive response of people who attended.”

Compaq had held four such events prior to Santa Clara—full events in Dallas, Minneapolis and Boca Raton, Fla., and an event to fill manufacturing and operations positions in Chicago. According to McKenzie, Santa Clara’s location in Silicon Valley made it the most challenging. Many residents might be reluctant to live anywhere else, it was reasoned, because of the area’s climate and other appealing features.

McKenzie adds, “In Silicon Valley, there are start-ups and successes all the time. I don’t know if the people have much appreciation for the youngest company ever to make the Fortune 500 list. One of our challenges is to raise the appreciation level for our accomplishments.”

Employment Supervisor Sue Forster, who coordinated Marketing, Sales and Service hiring at

the event, notes that most San Francisco Bay Area residents love the climate, but many are tired of long drives, expensive housing or other elements of the lifestyle.

One hundred qualified candidates were to be targeted among anticipated prospects over three days. Although only 1,200 attended, more than 200 were identified as pursuable potential new hires.

Says Forster, “The people who came were very interested in going to work for Compaq. One person saw our ad in the Wall Street Journal and flew in from Denver. Another person drove three hours from northern California to be there.

“We have many excellent candidates for employment to consider over the next three to six months, all because of this trip. We’ll also establish a base of possible new hires in the future because of the friends the new hires have.”

McKenzie observes that many excellent prospects won’t attend an event like Compaq, Texas even though it lasted until 8 p.m. to give people a chance to come after work. But those who don’t attend might hear about it from a co-worker who did.

Frequently, he says, the person who does not attend hears so many good things about Compaq that he or she inquires about

moving to “Compaq, Texas.” Recruitment for Engineering and Manufacturing, as well as Marketing, Sales and Service, comprised the Santa Clara event.

These events are held in hotel meeting/ballroom facilities. New hires are greeted in reception areas. Videos present the most appealing elements of living and working in Compaq, Texas. (In the videos, Houston is described tongue-in-check as a major suburb of Compaq, Texas.)

Many candidates phone an 800 number to arrange an interview. But even walk-ins are given a 15-minute interview with someone from Human Resources. Top prospects meet with managers or directors.

“Everyone pulls together at these events,” says Forster. “We develop a strong team spirit.”

“It’s not every day that we get to see 65 people from many areas of our company working together on the same project,” McKenzie notes. “It gives you a good feeling.”

After three days of meeting prospects, most of the event people headed home to Compaq, Texas, “just a short drive from sandy beaches and scenic lakes, where you can swim, sail or just take in the sun. And, of course, where challenging opportunities at the forefront of personal computer technology have never been brighter.”

Compaq again No. 1 in customer satisfaction

According to recent figures, Compaq has once again retained its No. 1 rating in overall customer satisfaction, Rod Canion, President, announced at the quarterly employee meeting held in Houston.

The company has historically held the No. 1 spot in satisfaction, and the Gordon S. Black survey shows Compaq still in the lead.

The customer survey indicates that Compaq also holds the top position in quality of products and is tied for No. 1 with Toshiba in company policies and support. Compaq holds the second position in the ease of use category behind Apple.

“Compaq is consistently a leader in customer satisfaction. Our surveys have always shown that over 95% of our customers are satisfied,” Canion said, “and it’s because of the quality of our products and service.”

Canion pointed out that holding the top position makes the company a target of others.

“Because we have done so

well, other companies are trying to imitate our product quality and our service,” he said. “For the first time this year, we are tied with Toshiba in some categories of satisfaction.”

Industry figures indicate that for every complaint made about a product, 26 unhappy customers did not complain. Studies also show that if a problem is handled quickly, 90% of customers will again buy the products.

“How we handle the customers we do hear from is important because we can save a lot of them,” Canion said. “We should all take that seriously. Much of our business is from experienced, repeat customers.”

Canion said everyone in the company must keep their focus on “fundamental strengths”—quality and customer service.

“There is simply nobody better at quality than you,” Canion told the audience. “We have all worked hard to be the best and to be respected for our quality. We have to stick with the fundamentals.”

Customer Perception 1988 Gordon S. Black Survey

	1	2	3
Overall Satisfaction	Compaq	Apple	Toshiba
Quality of Products	Compaq	Apple	Toshiba
Company Policies	Compaq/Toshiba	NEC	Zenith
Support	Compaq/Toshiba	Zenith	NEC
Ease of Use	Apple	Compaq	NEC

Compaq again retained its No. 1 rating in overall customer satisfaction.

Seen in the Press

PC Magazine

June 27
(From William Zachmann column)

'It has been just 6 months since I wrote ('IBM at War with the World,' Jan. 31, 1989) that the battle between IBM's Micro Channel Architecture and Extended Industry Standard Architecture sponsored by AST, Compaq, Epson, Hewlett-Packard, NEC, Olivetti, Tandy, Wyse and Zenith was 'likely to be the single most important hardware conflict of 1989.'

"A flurry of press accounts early this spring suggested that IBM might be gaining ground with its MCA. Articles in the trade press, subsequently picked up by the national business press, saw apparent gains for MCA.

"As the year wears on, evidence mounts, and reasons increase to expect EISA, not MCA, will prove victorious in the struggle to define the hardware foundation for the next era of industry-standard personal computing.

"A good starting point is to examine the appearance of strength for MCA and the reality behind it. First of all, it has been claimed that MCA is a lot further along than EISA. MCA was introduced with the IBM PS/2 line (and OS/2) in April of 1987. Close to 3 million MCA machines will be installed by the end of 1989, while EISA machines have yet to ship.

"The problem, however, is that the vast majority of the MCA-bus PS/2s sold so far haven't got the real MCA bus in them and never will. That's because they are 16-bit systems, which will never take advantage of the updated 32-bit version of the MCA bus that is necessary to make real use of high-speed peripherals and bus mastering. Those IBM PS/2 Models 50, 50-Z, and 60 with a 16-bit MCA bus are no more capable of making practical use of high-speed bus mastering than are the even more numerous PS/2 Models 25, 30, and 30/286, which haven't got an MCA bus at all. The original 32-bit versions of the MCA in PS/2 Models 70 and 80 are likely, at best, to require costly upgrades before they can make use of anything the real Micro Channel Architecture has to offer.

"It should have been apparent to anybody who bothered to look at the original MCA spec that the five reserved pins on the 16-bit section and the additional 16 reserved pins on the 32-bit portion of the bus weren't there just to occupy space. The original MCA, like the original IBM 370 Model 155 and 165 mainframes introduced in 1970, was never meant to be 'the real thing' . . .

"Mark my words: By this time next year, there won't be any doubt that EISA is well ahead of MCA in the battle to define the direction for industry-standard personal computing in the early 1990s. Nor will there be any doubt that EISA systems, boards, and software are leading the way to new levels of function and performance in PCs and network servers."

The Toronto Star

May 24

"Evolution, no revolution.

"That's hardly a ringing battle cry, but it continues to keep the cash registers ringing for Compaq Computer, No. 3 in the personal computer industry.

"Two years after industry leader IBM set a new standard called Micro Channel Architecture (MCA) — breaking away from the standard it had set — Compaq and about 160 other companies are sticking with the original standard and planning to improve it.

"MCA is an internal communications path intended to speed up the funneling of information through a computer. Trouble is, it can't use add-on circuit boards designed for the original standard.

"By contrast, Compaq and others are touting Extended Industry Standard Architecture (EISA), which — when it gets off the ground later this year — will expand the personal computer's capabilities while permitting users to continue using existing hardware."

Wall Street Journal

May 22

"Compaq Computer Corp. plans to unveil its next generation of desktop computers in New York today, giving the high-end computer maker yet another victory in its battle with International Business Machines . . .

"The (COMPAQ DESKPRO 386/33's) greatest advance is that it contains a microprocessor that is approximately 32% faster than its predecessor's . . .

"Compaq will be once again upstaging IBM, doing something better than IBM and doing it several months sooner,' observed Richard Shaffer, editor of a trade publication, Technologic Computer Letter."

PC Week

May 29

"Despite the crowd of manufacturers offering similar 33 MHz systems, analysts say the COMPAQ machine is destined to become the market leader.

"Compaq had developed a leadership position with brand recognition due to performance and support,' said John Maxwell III, an analyst at Dillon, Read & Co., a New York investment bank. 'For that reason alone, it will capture the largest share of the market.'"

InfoWorld

May 22

"While companies such as Intel take technology to uncharted frontiers, IBM takes a wait-and-see approach. You get to wait with it.

"Compaq rolled out the first 386-based system and gave its customers a 386sx system months ago. Anyone taking bets on which of the companies rolls out the 33-MHz 386 first? Does a yellow rose of Texas come to mind?

"So, is IBM's idea of leadership to see what Compaq rolls out and then try to underprice that company and outfinesse it in the dealer channels? Sounds like a familiar strategy."

Computer Reseller News

May 15

"The StoreBoard Dealer Survey shows continued strong personal computer growth in March.

"Compaq continues to record the strongest results and recorded an all-time-high revenue market share of 28.3%."

PC World

June

"The next best thing to getting a budget price is getting more product for the same dollars. The new COMPAQ DESKPRO 286e models are priced like their COMPAQ DESKPRO 286 counterparts but with goodies like VGA graphics, more standard memory and greater expandability thrown in. With better value and a new compact design, the new system makes sense for secretaries, casual users, word process . . .

specialists and others who formerly may have had to make do with lesser compatibles, or do without."

Microtimes

May 20

"As one might expect from Compaq, they have forgotten nothing (in the COMPAQ SLT/286). They claim desktop computing in a laptop, and they come as close as I have seen to delivering the goods . . .

"Laptop computers continue to improve, and today's best units inevitably will be surpassed. For now, this is the unit to beat."

USA Today

May 4

"Personal computer and software sales will grow 15% to 20% this year in stark contrast to mainframe and mid-range sales growth, which will 'never see double digits again,' says analyst Bruce Lupatkin.

"His favorite: No. 3 PC maker Compaq, widely admired for its sure-footed management."

Day nears to take challenge

The Challenge — a sports and fitness competition designed to test team members' physical prowess and agility against teams from other companies — will be held Oct. 7 in Houston.

There are 27 competitive events held in one day. They include running, swimming, tug-of-war, volleyball and more. Compaq will enter a team of 20 full-time employees, 10 men and 10 women, selected from all shifts and area sites. This is the third year the company will participate in this event.

A meeting will be held July 20 at 5:30 p.m. for all employees interested in participating. Practice and tryouts will be held on Mondays and Thursdays beginning July 24 at two sites near the Houston main campus.

Call the A.C.E. Hotline at 374-2414 for more information.

Employees volunteer time

To provide Houston Compaq employees with the quickest emergency care possible, the Emergency Response Team was formed two years ago and has been growing ever since.

The team is comprised of emergency care attendants, all certified by the Texas Department of Health to respond to emergency situations.

Compaq employees who volunteer their time and effort to this program must complete 48 hours of training and successfully complete written and skills examinations. What began as an 11-member team has grown to include 65 employees.

"The purpose of ERT is for somebody with medical training to get there first to stabilize the patient or victim before a site medical professional gets there," says Jonathan Myers, Manager of Corporate Safety.

There are five site medical professionals — a state certification which requires more extensive training or a nursing license — within Compaq.

Most ERT members agree that the incentive to join the group is helping others. ERT member Kevin Clark sums it up when he says, "I started out just taking a first aid course. Then I realized I could really help people. It also prepares you for emergencies in your family life. The training is intensive, but you are dealing with human life."

Training courses to become an ERT and continuing education to remain one are held periodically. According to Herb Zieschang, Corporate Safety Technician, who assists in the coordination of ERT training, the team is "constantly having to reassess where new ERTs are needed."

A course will be offered soon to fill various vacancies throughout the Houston operation.

According to Jim Eckhart, Vice President, "This type of team exemplifies the Compaq way of doing things — volunteerism."

Eckhart was keynote speaker at

a recent luncheon honoring ERT members. "It takes a special type of person to participate in this program. It takes people getting together and working for a common goal, which is the Compaq spirit," he said.

He predicted that by 1992, the number of ERT members will have quadrupled because Compaq will probably employ around 13,000 people at that time.

Zieschang says members do not need to respond to many injuries, but are often called to help with sudden illnesses, such as heart attack, food poisoning and other major and minor emergencies.

"It's the same thing that can happen at home. It's just that the person happens to be at work when illness strikes," Zieschang says. "No matter what it is, employees should call the emergency number."

The Compaq emergency number — 41000 — is similar to the 911 system in that the operator will dispatch whatever type of help is needed to handle the problem. All Compaq emergency calls connect with the Security Control Center. Therefore, Zieschang says employees should not hesitate to call if they feel there is something wrong.

"Fire engines and police cars are not going to automatically appear at your office if you call the number," he says. "You can call if you suspect an emergency. Don't wait to be sure."

Anyone interested in the program should call Zieschang or the appropriate site medical professional. They are:

- CCM1,2 — Alan Barbee, 48798.
- CCM3 — Pat Smith, 41205.
- CCM4,5 — Margaret Puffen, 48919.
- CCM3,4,5 second shift — Jean Rostonski, 48919
- CCM6 — Darrell Wilmeth, 896-3281.
- CCA4,5,6 — Jennifer Hochenadel, 45154
- CCA1,2,3 and all other facilities — Zieschang, 46168.

Compaq Emissions Control Lab celebrates official opening



Compaq Emissions Control Lab personnel recently hosted a ribbon-cutting ceremony to celebrate the lab's official opening. Pictured here, from left, are Hugh Barnes, Vice President, Compaq Product Development; Diane Holland, President, Tomball Chamber of Commerce; Roddy Bland, President, Northwest Chamber of Commerce; and Jackie Bowman, President, Cy-Fair Chamber of Commerce. The 13,000-square-foot, off-site Houston facility houses 12 employees, but Barnes says it will eventually have 18 to 20. The lab is where all COMPAQ personal computers are tested to comply with regulations of the U.S. Federal Communications Commission (FCC) and VDE, the FCC's German counterpart.

Splatball arrives with flying paint pellets

The newest Houston Association of Compaq Employees-sponsored team activity is Splatball, similar to Capture-The-Flag played with paint pellet pistols. The pistols fire paint pellets, food coloring in a water-based gelatin, which break on contact.

Splatball will be played at Survival Games of Texas, off Beltway 8 near Intercontinental Airport. There are three scenarios for play — Capture-The-Flag played out in woods, Jungle Village for playing rescuer/defender and Untouchables played in two houses.

Survival Games charges \$14 for the pistol, face mask, goggles, the first CO₂ cartridge (which powers the pistol) and 10 pellets. A.C.E. will pay this fee for each employee for one trip per month. Cartridges and pellets are available for additional rounds of play and cost between \$12 and \$16 for a whole day.

Participants must be at least 15 with a parent's consent or 17

without.

Call Carolyn Metts at 374-1581 for details.

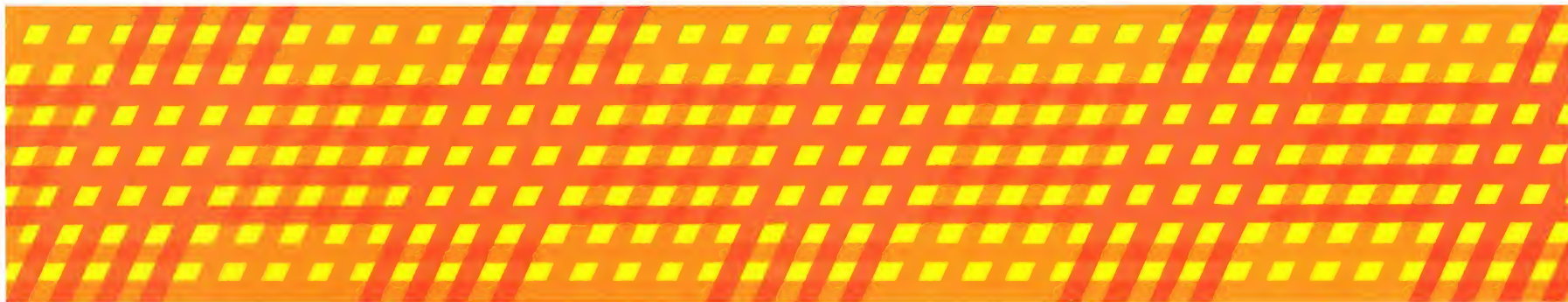
Manage weight

A.C.E. is sponsoring a weight management program for all Houston employees. The program is led by a qualified dietician and promotes safe weight loss through diet, exercise, behavior modification and stress management. Weekly weigh-ins, handouts, lectures and support from others help participants reach their goals.

The cost of the eight-week program is \$16. Meetings are held in various locations on the Houston main campus. Call A.C.E. at 374-8535 for more information.



Herb Zieschang, left, and Emergency Response Team members Kevin Lewellen, middle, and Kent Simon discuss the organization at the recent recognition luncheon.



Scotland's visitors welcomed with tartan

When visitors tour the Compaq manufacturing facility in Scotland, they are apt to leave with many gifts — all bearing the new Compaq tartan.

The tartan, or plaid, is red, yellow and orange, similar to the color bar which is an integral part of Compaq identity.

"We wanted something that says, 'I visited Compaq Scotland,'" says Anne Gillespie, Compaq Computer Manufacturing Ltd. in Scotland. "We wanted them (visitors) to identify with where they had been."

Visitors, made up of tour groups as well as Compaq custom-

ers and dealers, are given gift packs including umbrellas, shoe bags, key rings and other items printed with the Compaq tartan.

The tartan is so bright, Gillespie says, "You need sunglasses to put up your Compaq umbrella."

Employees are currently working on getting the design regis-

tered with the Scotland government. It will be registered as a novelty tartan as opposed to a clan, or family, tartan.

"It's really not for employees. It's more for visitors," Gillespie says. "Here in Scotland, people don't really wear tartan."

Lost and Found revamped

The Compaq Lost and Found program in Houston is a well-kept secret — many employees don't even know it exists.

Jim Werderman, security representative who administers the program, is spreading the word that he is available to help employees who have lost items.

Since he took over the program in early May, Werderman has revamped the system, placing the emphasis on returning more found property to the owners. Before, he says, there was not an organized way to locate the owner.

"It's an old program that's been given new life," he says. "It just wasn't active before. It needed organizing."

Since then, Werderman has returned various found items to the owners. "We're getting good results. The system works," he says. "The program's starting out real well."

Werderman has a box of found property containing jewelry, key

rings, prescription glasses and various other items. He says many are valuable. Ladies' watches and bracelets are commonly lost items.

Found items are usually given to Werderman by security officers after that property has been recorded. Then, Werderman makes an effort to locate the owner. Before he shows the item to the employee, he gets a detailed description to verify ownership.

Werderman recently returned a wallet to a man in Indiana who had visited the Compaq Houston campus over a year ago for an interview. "It was as easy as looking at the driver's license. No one had made the effort."

Anyone who has lost property should contact Werderman at 374-0247 or Mail Code MO52. If an item is reported lost, but is later found, Werderman asks that the employee notify him.

"Some lost items are of sentimental value. It makes me feel good to return those," he says.

Compaq worker invests time

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Monteith, who learned about this ministry through his membership at Houston's Lakewood Church. He plans to keep putting his feet on ground where help is most needed. "We know we can't change the world. But we can keep affecting one part of it at a time."

Then, when vacation ends, he returns to work "feeling refreshed," ready to plunge back into Compaq tasks, eager to plan his next mission trip.

If he were to search the planet for ill and undernourished people, he could never expect to find greater need than he discovered on his only mission to Kenya.

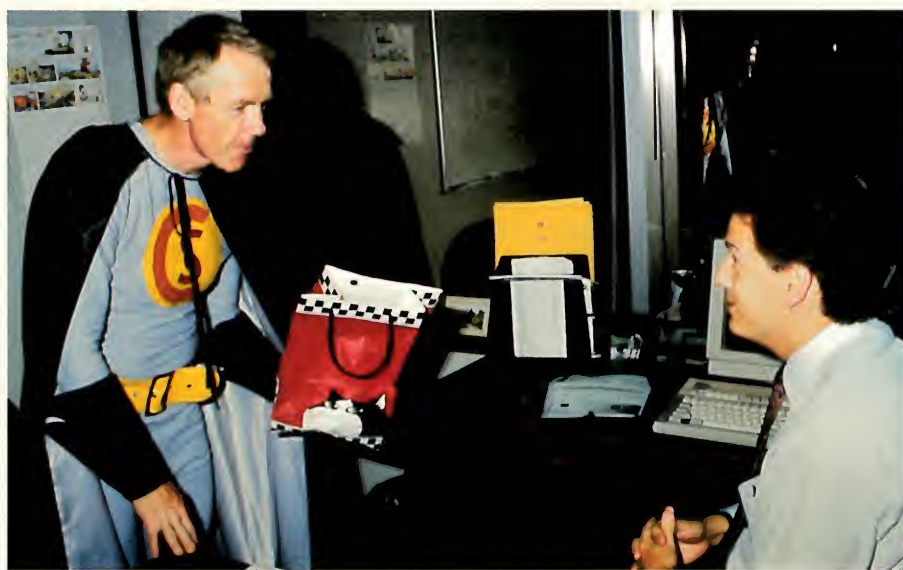
His group was met at one stop by a malaria-stricken boy not more than a day or two from death. With the child in his arms, Monteith bumped along in the team's off-road vehicle to a treatment area.

Still in Monteith's arms, the child went limp. His head fell back. His eyes rolled up under his eyelids.

Says Monteith, "All we could do until we got to a treatment area was pray." When the child survived the ride, Monteith told himself, "This is the first time I've ever seen God save someone."

Knowing the child's extended survival was in doubt, Monteith and the medical staff began treating the young Kenyan. He received anti-malaria medication and other treatment. He responded instantly. By the end of the day, he rejoined his family, equipped with about two weeks of medication and instructions to report to a government clinic after the two weeks.

Perhaps the Kenyan will never know that people didn't restore him with their work. They did it with their vacations.



Captain Shred

Captain Shred, A.K.A. Rich Niermeyer, Administrative Services, inspired Houston Compaq employees to clean their offices and throw away any unnecessary paper during Trash Out Week in June. The effort was successful, with 1,915 boxes of trash collected. The winners of the various contests are: Cheryl Williams, funniest document, Doug Yauger and Mark Richards, honorable mention; Lesley Reid, unique document, Lynda Lee, honorable mention; Lee Crum, oldest publication, Joseph Piper, honorable mention; Guy Fielder, oldest document, Peter Reichenback and Kenneth Lewalker, honorable mention. The Corporate Accounting Department won the prize for collecting the most pounds. Their trash weighed in at 8,310 pounds. Brookhollow Shipping, collecting 7,020 pounds, was given honorable mention.

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